North Chicago, **IL** - Working with the Navy and the Department of Education, Congressman Mark Kirk secured an agreement from Education Secretary Margaret Spellings allowing North Chicago School District 187 to keep their federal "heavily impacted" aid status for years to come. The agreement ensures District 187 will continue to receive the maximum federal impact aid payment per student through at least 2010. Kirk's effort puts to rest rumors of any interruption in federal aid to support North Chicago schools.

"The decision by the Department of Education ensures the flow of Impact Aid dollars for North Chicago classrooms for years to come," said Kirk. "We can put to rest rumors and assure parents that federal aid under the 'heavily impacted' section of the Impact Aid statute will continue to flow -- regardless of the number of military children attending North Chicago schools. I will be introducing legislation and will continue working with Senators Obama and Durbin to also ensure that North Chicago schools have the Impact Aid they need even after the 2010-11 school year."

Currently, the Navy plans to replace its 30-year old government-owned military homes in North Chicago with brand new homes built by a public-private partnership. Some local leaders feared this change would cause the number of military children attending North Chicago schools to fall below the 30% level of total students needed to maintain higher levels of federal aid given as a 'heavily impacted' school district.

Working with the Navy and Department of Education, Congressman Kirk won the agreement of Secretary of Education Spellings that North Chicago's aid was protected by a provision of law that ensures the flow of Impact Aid dollars during the life of a pubic-private housing conversion. This is the first time this provision of law (Section 8003(b)(2)(H) of the Impact Aid law) was used and now protects federal dollars for North Chicago classrooms through 2010, regardless of how many military children attend school.

The new public-private housing will also generate new revenue to support local classrooms. Under current law, government-owned military homes cannot be taxed for school funding. But under the coming public-private partnership, North Chicago will be able to levy a new tax on the value of the new home structures, generating additional revenue to support local schools and emergency services. The morale of military families will also increase with Americans in uniform living in one of 1,100 brand new homes rather than "fixer-uppers," repaired by a low-bid government contractor.

Construction of the new housing is scheduled to begin in early 2007 and should be completed by 2009. North Chicago Schools will keep their "heavily impacted" status through 2010-11 because of this decision, even if military student enrollment dips below 30 percent. The Department of Education gives school districts receiving Impact Aid funding two additional years to meet the 30 percent threshold after a housing private initiative is completed.

Contact: Matt Towson

847-940-0202 cell: 773-454-5396